



# *How to become an* **MHSA CONTRACTOR** **2009**



County of Los Angeles Department of Mental Health

# OVERVIEW OF THE PREVENTION AND EARLY INTERVENTION (PEI) PLAN

Fall 2009



# COMPONENTS OF MENTAL HEALTH SERVICES ACT (MHSA)

- Community Services and Supports (CSS)
- *Prevention and Early Intervention (PEI)*
- Workforce, Education and Training (WET)
- Capital Facilities and Technology
- Innovations

# Los Angeles County PEI Plan

- Plan finalized in June, 2009
- Submitted to State MHS Oversight and Accountability Commission (MHISOAC) on July 1, 2009
- Approved by MHISOAC on August 27, 2009
- Funding level of \$121,661,559 approved

# Types of Providers

- 40% current DMH contractors
- 30% new operated
- 30% DMH directly operated

# Age Groups Served

- All age groups
- 65% of funding for children, youth, TAY
- 17.5% for adults
- 17.5% for older adults

# PRIORITIZED POPULATIONS

- Key Community MH Needs and Priority Populations – as per State guidelines
- Each Service Area fine-tuned these populations

# PEI Programs to Be Contracted Out

- 45 Evidence-Based Programs (EBP), Promising Practices (PP), and Community-Defined Evidence (CDE) Practices
- Provided in 8 Service Areas and Countywide
- 130 Programs throughout the County
- Each Service Area determined selection of programs



# Types of Programs

- Prevention Programs
- Early Intervention Programs
- Combination Prevention and Early Intervention Programs

# Where to Find Information on PEI Programs

- <http://dmh.lacounty.gov/>
- PEI Plan
- [Evidence-Based Practices and Promising Practices Resource Guide](#)
- [Community-Defined Evidence Models](#)

# Workforce Education and Training (WET)

---



# Objectives of WET

---

- ❑ Increase the current mental health workforce with qualified individuals who provide direct services to our diverse cultural and linguistic underserved and unserved mental health communities  
and
- ❑ Support employment of consumers, family members and parent advocates/parent partners in the mental health system



# Purpose of WET

---

- ❑ To create a transformed, culturally and linguistically competent system that promotes wellness and recovery for adults and older adults with severe mental illness, and resiliency for children and youth with serious emotional disorders and their families.



# Funding

---

- ❑ L.A. County's WET Plan was approved by the State on April 8, 2009.
- ❑ The County of Los Angeles has been allocated \$60.2 million (one-time).
- ❑ Unspent funds can roll over to the following fiscal years, but must be spent by June 30th, 2017.
- ❑ A multi-year budget has been recommended by the WET Advisory Committee.



# Types of Services Need for WET

---

- ❑ Licensure Preparation for Psychologists, Social Workers and Marriage and Family Therapists
- ❑ Career Counselors for public mental health employees
- ❑ Training for public mental health employees on recovery, resiliency and wellness
- ❑ Training and professional development for Consumer, Parent and Family Member employees in the public mental health system
- ❑ Mental health training for non-mental health entities in the community, such as primary healthcare, law enforcement, schools, faith-based communities, etc.
- ❑ Fiscal intermediary to organize and administer various financial incentive programs such as Loan Forgiveness and Tuition Reimbursement programs.

*County of Los Angeles – Dept. of Mental Health*

## **Mental Health Services Act (MHSA)**

### **Overview of the RFSQ-RFS Bidding Process**





# MHSA Plans

RFSQ-RFS process was developed  
for the MHSA Plans:

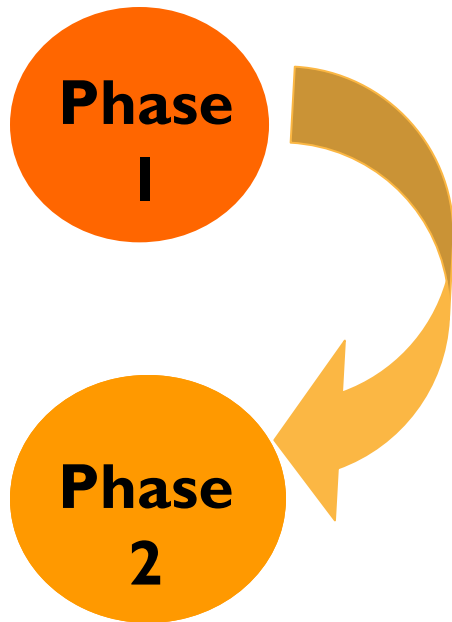
- Community Services & Supports (CSS), including Underserved Ethnic Populations (UREP) – 2 RFSs & 2 programs
- Workforce Education & Training (WET) – 10 RFSs & 10 programs
- Prevention & Early Intervention (PEI) – 45 RFSs & 130 programs
- Innovations (pending State approval) – 4 RFS & 7 programs

# LA County Bidding Process: How the MHSA Plans are Implemented

- Open, competitive process
- Mandated by the Board of Supervisors
- Enables new (non-DMH agencies) to apply
- Promotes development of community-based organizations
- Same process as the MHSA CSS plan
- Follows guidelines, policies and procedures established by the County

# Two-Step Process

In order to provide MHSA PEI services, prospective contractors must participate in a two-step process:



**Request for Statement of  
Qualifications (RFSQ)**

**Request for Services  
(RFS)**

# Purpose of RFSQ-RFS Process

- Difference from other bidding processes, e.g., RFP
- Purpose > Pre-qualify potential providers
- Financial viability determined at earliest outset

# Step 1: Request for Statement of Qualifications (RFSQ)

- Solicitation document approved by the Board of Supervisors
- Used to qualify agencies to compete for MHSA funding
- Determines agency's financial viability prior to submitting a proposal
- Open and continuous process
- Establishes an MHSA Master Agreement List
- Originally established for CSS, but now applies to other MHSA plans



# Steps to Apply

- ✓ Submit your application and required documents as stated in the RFSQ
- ✓ After approved, submit a Statement of Qualifications (SOQ)
- ✓ Indicate areas of interest (age groups, services, PEI, etc.)
- ✓ Respond to new addendums as released

# Financial Viability

Any prospective contractor responding to a DMH solicitation is to submit the required financial statements at the time they request to be placed on the DMH's eligible prospective contractors list and/or MHSA Master Agreement list or when they submit their solicitation proposal to the DMH.

# FINANCIAL RESPONSIBILITY REQUIREMENTS

Agency must demonstrate fiscal soundness  
and assumption of full financial risk

1. Actual Financial Statements.
2. Corrective Action Plan.
3. Pro Forma Financial Statements.



# WAIVERS

Under certain circumstances, prospective contractors may be waived from financial responsibility requirements

See Financial Responsibility Requirements  
(Policy 412.21, Attachment 1)

# WAIVER FROM FINANCIAL RESPONSIBILITY REQUIREMENTS

Under certain circumstances, prospective contractors may be waived from financial responsibility requirements and are not required to submit financial statements

## *Examples*

- Type of organization: Housing Authorities, School Districts, State Hospitals
- Type of Agreement: Affiliation Agreement, Memorandums of Understanding (MOU), Settlement Agreements
- Not providing any direct mental health client care

# WAIVER FOR NO DIRECT MENTAL HEALTH CLIENT CARE

Under certain circumstances, prospective contractors may be waived from financial responsibility requirements and are not required to submit financial statements

## *Examples*

- Type of organization: Housing Authorities, School Districts, State Hospitals
- Type of Agreement: Affiliation Agreement, Memorandums of Understanding (MOU), Settlement Agreements
- Not providing any direct mental health client care

# Master Agreement List

- If meet all requirements, placed on MHSA Master Agreement List
- Also place on specific MHSA plan Master Agreement list, e.g. PEI Master list.
- Placement on list is permanent, as long as list is valid – no expiration
- But must respond to new addendums as issued – e.g., PEI, Innovations

# Desired Outcomes

Agencies on placed on:

- CSS Master Agreement List.
- PEI Master Agreement List.
- WET Master Agreement List
- Innovations Master Agreement List

## Step 2: Request for Services (RFS)

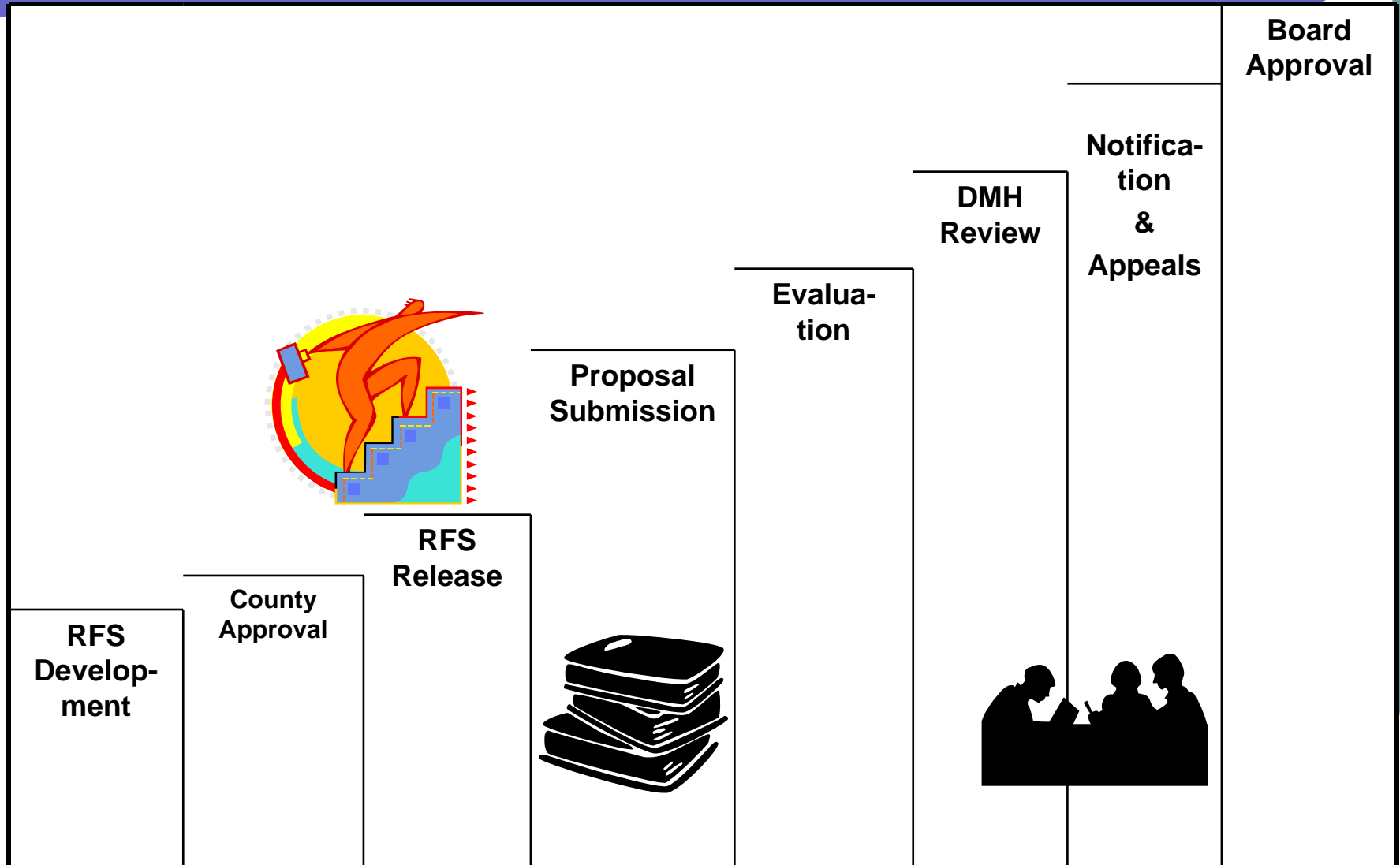


- Solicitation for Proposals
- Sent to each provider on the Master Agreement list that indicated an interest in PEI services
- Must already be on the Master Agreement List before the Bidder's Conference in order to apply
- Final selection requires approval by the Board of Supervisors

# PEI Requests for Services

- Request for delivery of specific MHSA PEI programs
- PEI RFS will be specific to:
  - Service Areas or Countywide
  - Age Group (Young Children 0-5, Children 6-15, Transition-Age Youth 16-25, Adults 26-59, Older Adults 60+)
  - Evidence-based Program (EBP or Community-Defined Evidence (CDE) program
  - Target Population

# Stages in the RFS Process





# 1. RFS Development

DMH Staff draft the RFS based on:

- County guidelines
- PEI stakeholder recommendations
- EBP/PP/CDE guidelines

## 2. County Approval

- County Counsel – clarity, process and legal
- Chief Executive Office (CEO) – fiscal and stakeholder

### 3. RFS Release

- Release to agencies on the MHSA Master Agreement List that indicated interest in providing PEI services
- Bidder's Conference held 7-10 days after release
- Transcript and answers to unanswered questions mailed 1 week afterwards
- Mandatory Letter of Intent due 1 week after Bidder's Conference

## 4. Proposal Submission

- Must be submitted on time
- Screened for completeness – all documents included
- Screened for meeting minimum mandatory requirements specific to the RFS
- Cleared for adherence to other RFS submission requirements – e.g., format

## 5. Evaluation

- External Review Panels
- Internal DMH Review
- Evaluation instrument based on County guidelines and RFS requirements

## 6. DMH Executive Review

- Based on proposal scores, DMH Executive Management Team selects agencies to be funded

## 7. Notification & Appeals

- All bidders notified of results
- Enter into negotiations with winning bidder(s)
- Initiate appeal process based on County guidelines

## 8. Board of Supervisors Approval

- Board of Supervisors must approve the agencies selected to be funded for MHSA services.
- Board Letter developed after negotiations and review process completed



# Timeline

- RFSQ ongoing
- Release of RFSs starting in 2010
- Board of Supervisors approval upon completion of appeals process





# COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH

Preparation of a Statement of Qualifications (SOQ)  
in response to DMH's MHSA  
Request for Statement of Qualifications (RFSQ)

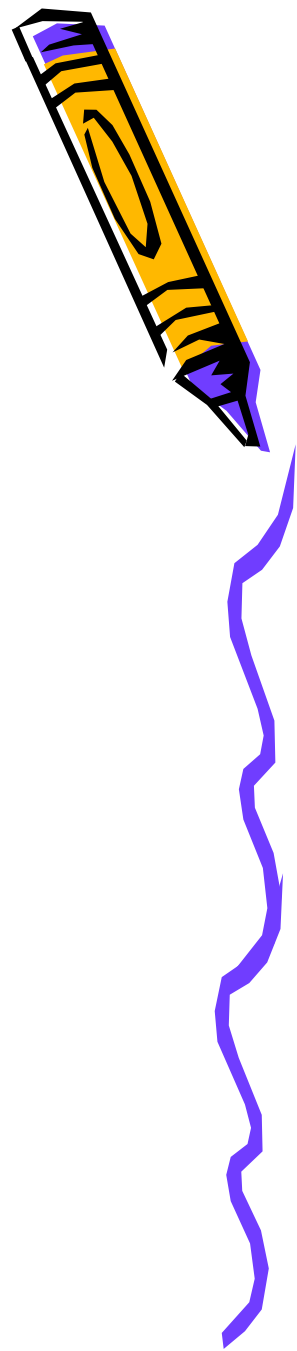


2009

# RFSQ

## Table of Contents

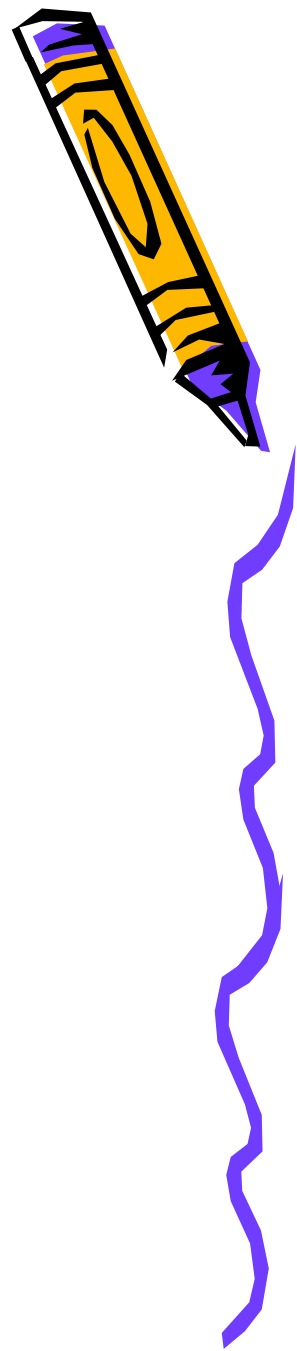
- Part I General Information
- Part II Instructions to Proposers
- Part III SOQ Review/Selection/  
Qualification Process
- Appendices A - I
  - Appendix A Required Forms
  - Appendix I SOQ Short form
- Addenda 1 through 9



# RFSQ

## Part I - General Information

- 1.1 Scope of Work
- 1.3 Proposer's Minimum Qualifications
- 1.5 MHSA Master Agreement Process
- 1.9 Register on County's WebVen
- 1.14 SPARTA Program



# RFSQ

## Part II - Instructions to Proposers

2.6 Preparation and Format of the  
Statement of Qualifications  
(SOQ)

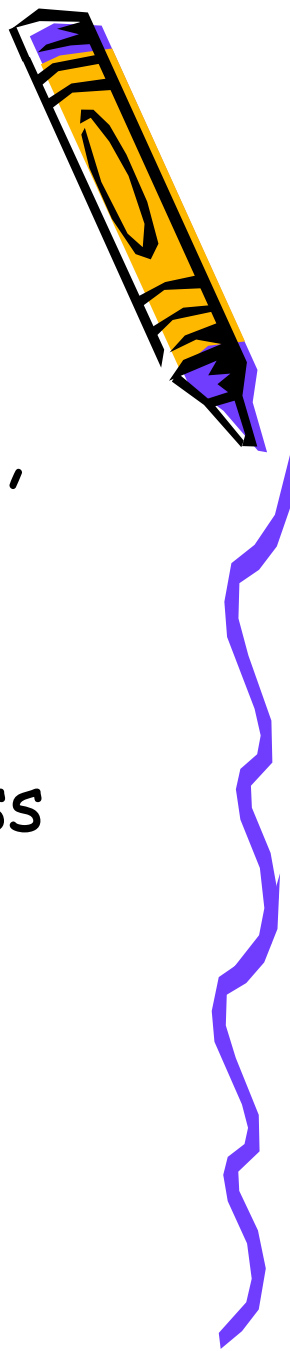
2.7 SOQ Submission



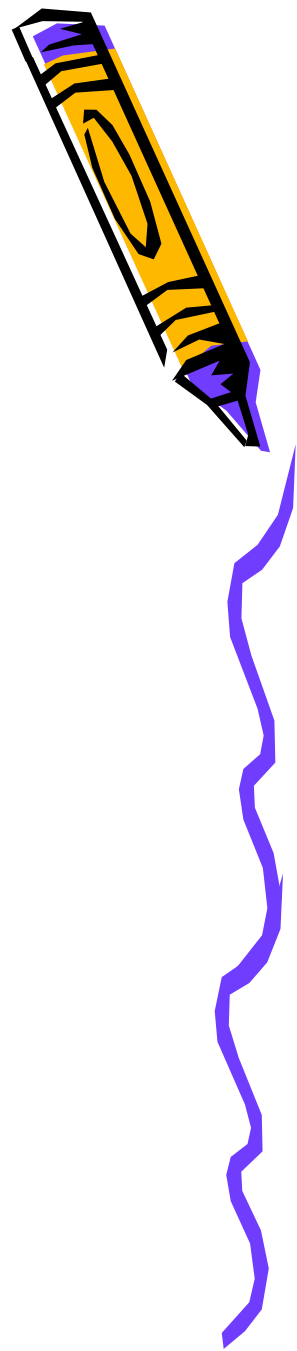
# RFSQ

## Part III - SOQ Review, Selection, Qualification Process

- 3.3 Selection/Qualification Process
- 3.4 Master Agreement Award



# Preparation and Format of SOQ (Section 2.6, pg 26)

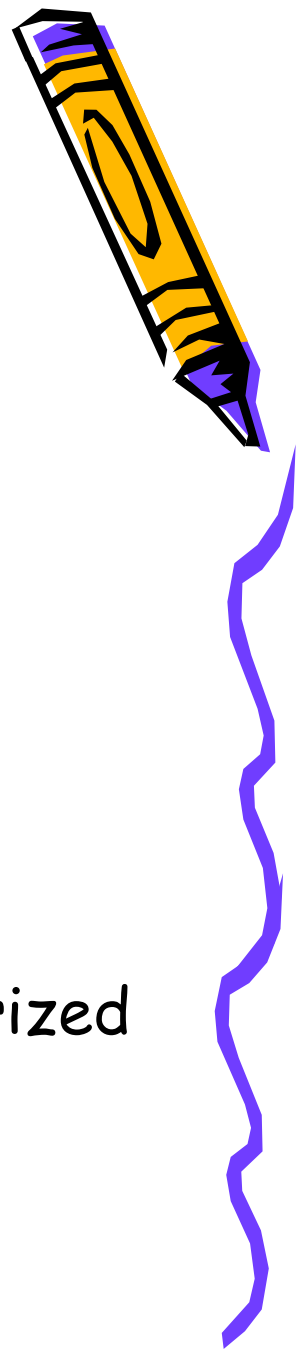


## Contents of SOQ

- Transmittal letter (2.6.1)
- Table of Contents (2.6.2)
- Proposers Qualifications (2.6.3)
- Financial Capability (2.6.4)
- Required Forms (2.6.5 and Appendix A)
- Proof of Insurability (2.6.6)



# Transmittal Letter (Section 2.6.1)



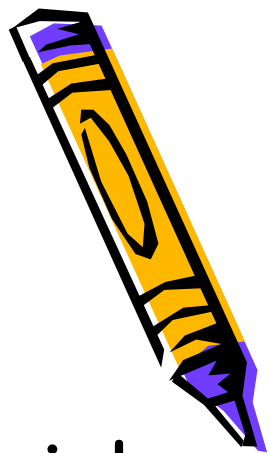
- One page - on Proposer's stationery
- Should include:
  - New Firm Eligibility (General Information, Paragraph 1.4) (if applicable)
  - Proposer's legal business name & business status
  - Proposer's Address
  - Names and signature(s) of person(s) authorized to represent Proposer.



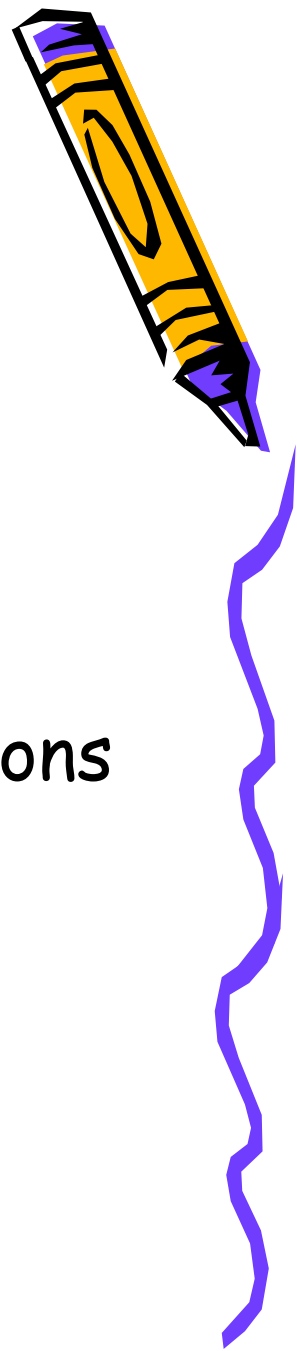


# Table of Contents (Section 2.6.2)

Comprehensive listing of material included in the SOQ identified by page numbers and by section reference numbers.



# Proposer's Qualifications (Section 2.6.3)



Proposer must provide relevant background information to demonstrate proposer meets the minimum qualifications as stated in Section 1 (General Information), Paragraph 1.3 (Proposer's Minimum Requirements)



# Financial Capability (Section 2.6.4)

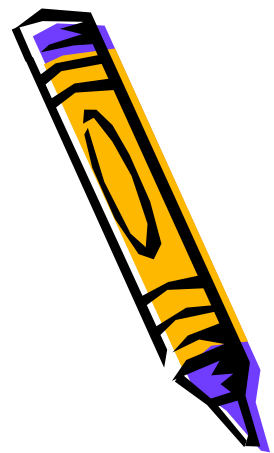


- Purpose: a Proposer must demonstrate fiscal soundness in order to be eligible to contract with DMH.
- Refer to Financial Responsibility Policy 412.21 handout.

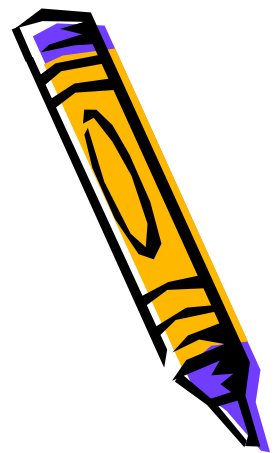


# Required Forms (Section 2.6.5)

Complete all 12 Required Forms provided in Appendix A and as described on page 29.



# Proof of Insurability (Section 2.6.6)



Proposer must provide proof of insurability that meets all insurance requirements set for in Appendix H - MHSA Master Agreement, Subparagraphs 8.2 and 8.3 (pages 10-13)

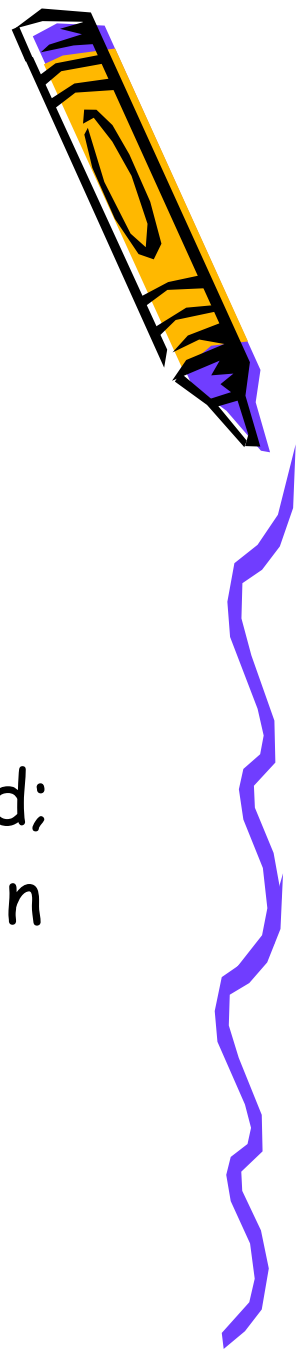
- General Liability
- Workers Compensation
- Professional Liability

Refer to Section 1.14 SPARTA Program

- A County program that may be able to assist potential Contractor's in obtaining affordable liability insurance



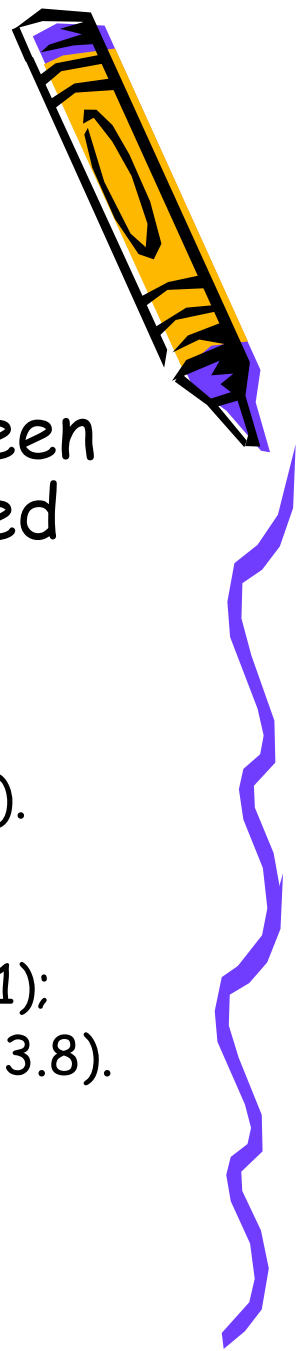
# SOQ Submission (Section 2.7)



- Submit original and 2 copies  
(10 copies not needed at this time)
- All SOQs are reviewed
  - Incomplete SOQs may be disqualified;
  - DMH staff will work with proposers in re-submitting missing/incomplete sections of their SOQs.



# Addenda 1 - 9



- Over the past 4 years, addenda have been added in order to update, revise, deleted sections in the RFSQ.

## Addendum 8

Added PEI and WET (Scope of Work (Section 1.1).

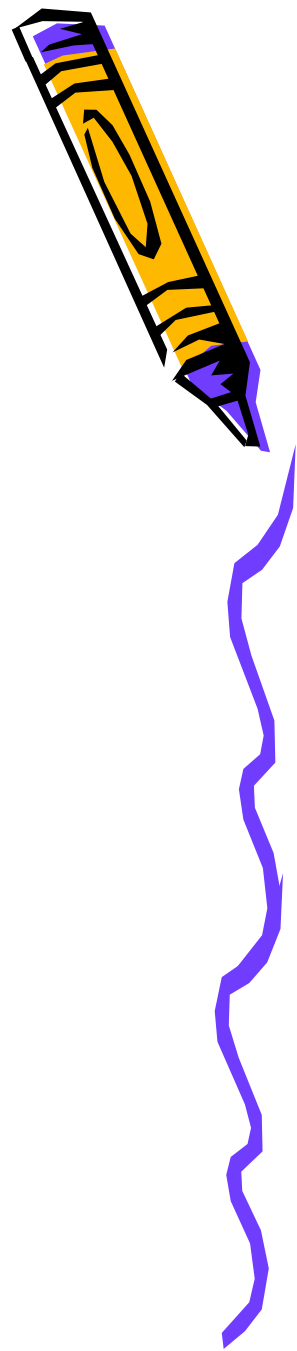
## Addendum 9

Added UREP and Regional Partnerships (Section 1.1);  
Revised financial viability requirements (Section 1.3.8).



# Websites

## How to access the DMH RFSQ:



DMH website:

[dmh.lacounty.gov/index.html](http://dmh.lacounty.gov/index.html)

Quick Links

Open Solicitations

County website

[purchasingcontracts.co.la.ca.us/](http://purchasingcontracts.co.la.ca.us/)

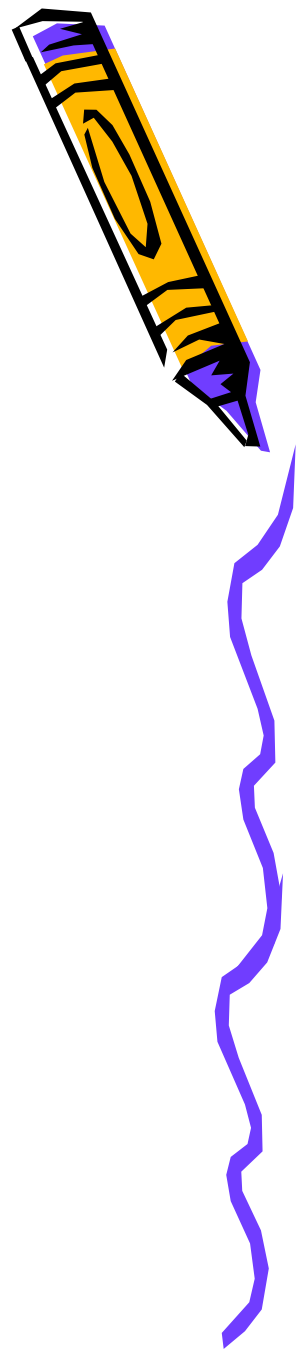
Open Solicitations

List by Department

Mental Health







# 3 BASIC RULES

1. Follow the Guidelines
2. Follow the Guidelines
3. Follow the Guidelines

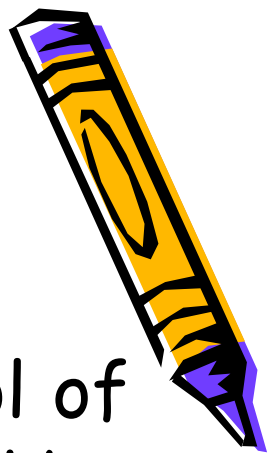


# BASIC GUIDELINES

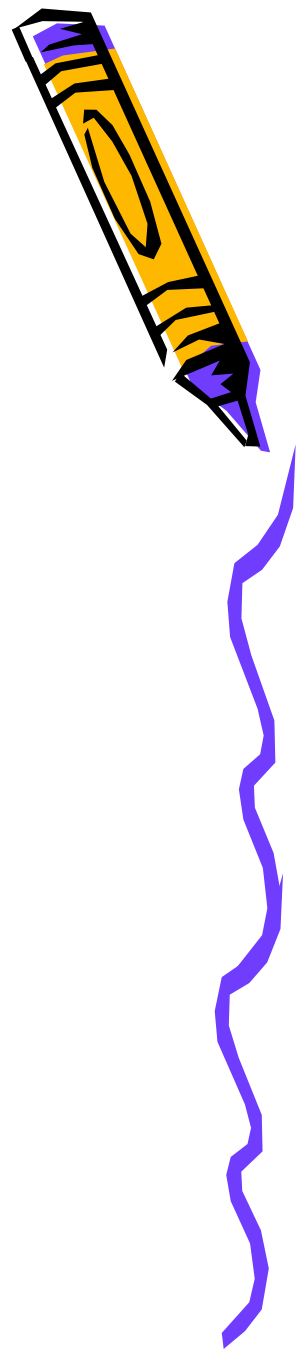
Purpose of RFSQ is to establish a pool of pre-qualified agencies who meet DMH - defined minimum qualifications.

Prepare your SOQ based on instructions detailed in Section 2.6 (Preparation and Format of SOQ).

Don't omit anything



# BASIC GUIDELINES



## Read all sections in the RFSQ

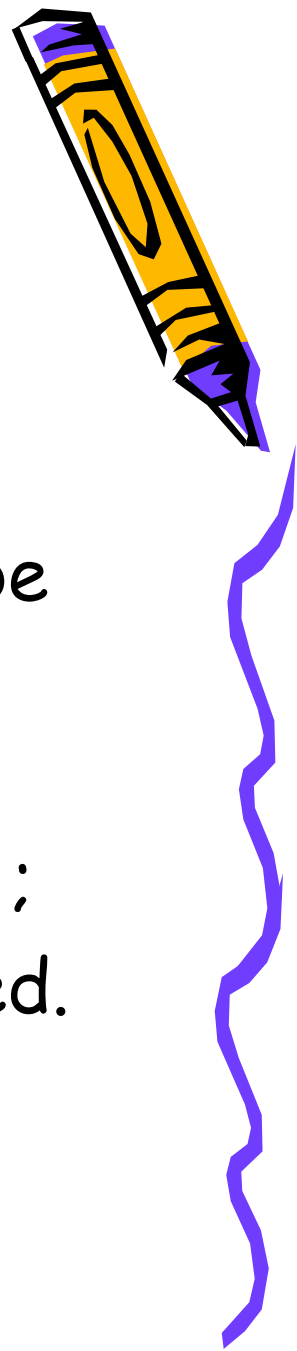
- \* Minimum Mandatory Requirements (Section 1.3)
- \* Register on County's WebVen (Section 1.9)
- \* Preparation and Format of SOQ (Section 2.6)
- \* Required Forms (Appendix A)
- \* Addenda 1 through 9



# BASIC GUIDELINES

## TIPS ON PREPARING A SOQ

- Use good grammar, use spell check; be clear & concise;
- SOQs should be neat and organized;
- Sections should be clearly identified ;
- Sign wherever signatures are required.



# Submitting Your SOQ

On-going process  
No submittal deadline

- SOQs are accepted on a continuous basis.
- The review of SOQs usually begins within 10 days of receipt.



# In Conclusion: Submitting Your SOQ Package



- Follow RFSQ instructions and format requirements.
- Submit all forms/documents required in the RFSQ in the proper order.
- Label appropriately and review your SOQ before submitting.





# In Conclusion: Submitting Your SOQs



Submit your SOQ and any updates to:

LA County - Department of Mental Health  
Contracts Development & Admin. Division  
550 South Vermont Avenue, 5<sup>th</sup> Floor  
Los Angeles, CA 90020

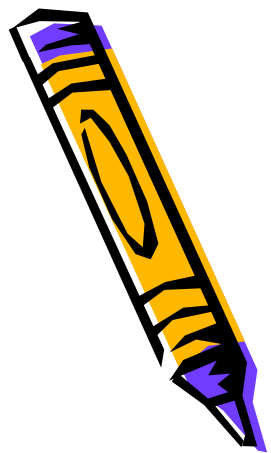
(refer to Section 2.5 for complete address, fax  
number, & email address)



# In Conclusion: Submitting Your SOQs

## Remember

Your agency must be on the MHSA Master Agreement list in order for your agency to be eligible to apply for any PEI Requests for Services (RFS).

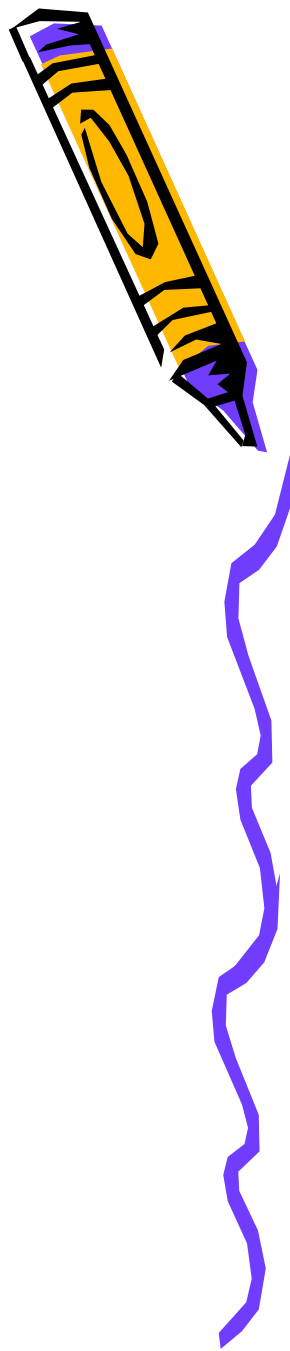




JUST DO IT!



WE KNOW YOU CAN!



# **COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH**

## **Financial Responsibility Requirements for Prospective Contractors**



# Purpose

To establish the financial requirements applicable for any non-profit or for profit Non Governmental Organization (NGO) that seeks to contract with DMH.

PROSPECTIVE CONTRACTOR MUST  
DEMONSTRATE FISCAL SOUNDNESS  
AND ASSUMPTION OF FULL FINANCIAL  
RISK

# Required Documents

Actual financial statements – must be not be stale  
(current)

- **Audited** - revenue of \$500K or over
- **Reviewed\*** - revenue of \$50K to \$499,999
- **Compiled\*\*** - revenue of \$49,999 or less
- **IRS Form 990/1120**

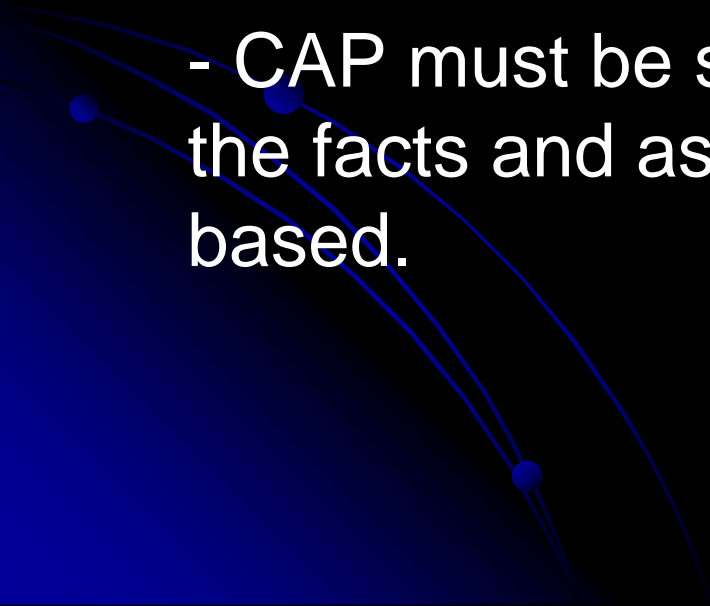
Current is not more than 18 months from the fiscal year or calendar year ended

\* Required if audited financial statements are not available

\*\* Required if audited or reviewed financial statements are not available

# Required Documents - continuation

## Corrective Action Plan

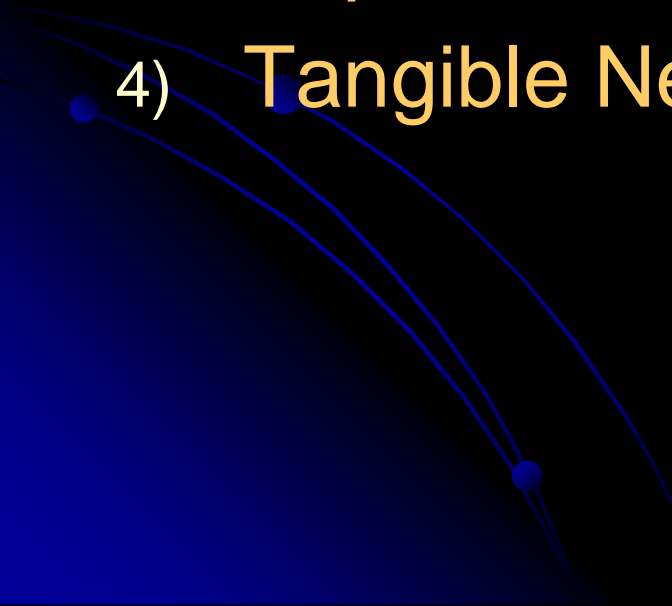
- If the analysis of actual financial statements, or IRS forms fails to meet the DMH's solvency requirements.
  - CAP must be submitted to DMH for approval.
  - CAP must be supported by a statement as to the facts and assumptions upon which they are based.
- 

# Required Documents - continuation

## Pro Forma Financial Statements and Comprehensive Business Plan

- actual is not available or the NGO is a start-up
- BP must precisely address the NGO's business, goals, services, and financial resources.
- Projected Statement of Income and Expenses
- Projected Balance Sheet
- Projected Statement of Cash Flow
- Projections must be supported by a statement as to the facts and assumptions upon which they are based.

# Rating Scale

- 1) Quick Ratio of 1 or greater
  - 2) Current Ratio of 1 or greater
  - 3) Expense/Income Ratio of 1 or lesser
  - 4) Tangible Net Worth of positive value
- 

# Laws, Statutes, Policies

- Office of Management and Budget (OMB)  
Circular A-133 – Single Audit Requirement
- LAC Board Policy No. 9.041 – Evaluation of  
Vendors/Contractors Engaged in Mergers or  
Acquisitions
- Contract Capability Requirement of DMH  
Contract Negotiation Package and/or Request  
For Service Qualifications (RFSQ)
- DMH Policies and Procedures for existing and  
prospective contractors



# Contact Person

Antonio Gando, Head  
Fiscal Audit Monitoring Section

Tel. (213) 639-6776

AGando@dmh.lacounty.gov



# *How to become an* **MHSA CONTRACTOR** **2009**



County of Los Angeles Department of Mental Health

# Email & Website Contact Information

---

Website for MHSA Plans:

[http://dmh.lacounty.gov/AboutDMH/MHSA/mhsa\\_plans.html](http://dmh.lacounty.gov/AboutDMH/MHSA/mhsa_plans.html)

Website for MHSA RFSQ forms:

[http://dmh.lacounty.gov/ToolsForAdministrators/AgencyAdministration/current\\_open\\_solicitations.html](http://dmh.lacounty.gov/ToolsForAdministrators/AgencyAdministration/current_open_solicitations.html)

Contracts Development & Administration Dept:

Alice Wong (213) 738-4162; [awong@dmh.lacounty.gov](mailto:awong@dmh.lacounty.gov)

Leticia Torres-Ibarra (213) 738-4069; [ltorresibarra@dmh.lacounty.gov](mailto:ltorresibarra@dmh.lacounty.gov)

Josie Nava (213) 738-4610; [jnava@dmh.lacounty.gov](mailto:jnava@dmh.lacounty.gov)

Annette Mars (213) 738-2071; [amars@dmh.lacounty.gov](mailto:amars@dmh.lacounty.gov)

# Prevention and Early Intervention Plan Contact Information

---

- PEI Administration Unit:

- (213) 738-2331; [mhsapei@dmh.lacounty.gov](mailto:mhsapei@dmh.lacounty.gov)

- Website for PEI Plan:

- [http://dmh.lacounty.gov/AboutDMH/MHSA/MHSA\\_Plans/pei.html](http://dmh.lacounty.gov/AboutDMH/MHSA/MHSA_Plans/pei.html)

# Community Services and Supports Plan – Underrepresented Ethnic Populations (UREP) Contact Information

---

## ■ CSS UREP Administration:

- Tara S. Yaralian (213) 251-6814;  
[tyaralian@dmh.lacounty.gov](mailto:tyaralian@dmh.lacounty.gov)

## ■ RFSs to be Released:

- RFS # 16 - Training for ad Services Provided by Promotores de Salud, Service Areas 4 & 6
- RFS # 17 – Workforce, Training and Development: Increasing Spanish-Speaking Paraprofessionals in the Mental Health Workforce

# Workforce Education and Training Plan Contact Information

---

- WET Administration Unit:

- Angelita Diaz-Akahori, (213) 639-6307;  
[adiaz@dmh.lacounty.gov](mailto:adiaz@dmh.lacounty.gov)

- Website for WET Plan:

- [http://dmh.lacounty.gov/AboutDMH/MHSA/MHSA\\_Plans/workforce\\_education\\_and\\_training.html](http://dmh.lacounty.gov/AboutDMH/MHSA/MHSA_Plans/workforce_education_and_training.html)

# Innovations Plan Contact Information

---

- Innovations Administration Unit:
  - Gladys Lee (213) 251-6801; [glee@dmh.lacounty.gov](mailto:glee@dmh.lacounty.gov)
  
- Website for Innovations Plan:
  - [http://dmh.lacounty.gov/News/Announcements/Documents/MHSA/Public\\_Hearing\\_111909.pdf](http://dmh.lacounty.gov/News/Announcements/Documents/MHSA/Public_Hearing_111909.pdf)

# Incubation Academy Contact Information

---

- Website for Incubation Academy:

- [http://dmh.lacounty.gov/incubation\\_academy.html](http://dmh.lacounty.gov/incubation_academy.html)

- Incubation Academy Staff:

- Katrin Aslanian-Vartan (213) 738-2441;

- [kaslanianvartan@dmh.lacounty.gov](mailto:kaslanianvartan@dmh.lacounty.gov)

- Leticia Loya (213) 7637-4580; [leloya@dmh.lacounty.gov](mailto:leloya@dmh.lacounty.gov)





# *How to become an* **MHSA CONTRACTOR** **2009**



County of Los Angeles Department of Mental Health